

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

FEDERAL TRADE COMMISSION,

No. C 10-00022 WHA

Plaintiff,

v.

**ORDER DENYING
EXEMPTION
CLAIMED BY
ROY LIN**

INC21.COM CORPORATION, *et al.*,

Defendants.

Defendant Roy Lin claims a \$33,000 exemption from execution of the judgment entered against him in this action for a “401k retirement account at Mass Mutual.” The exemption is claimed pursuant to Section 704.115 of the California Civil Procedure Code (Dkt. No. 210-1).

The claimed State-law exemption applies to this federal action by way of the federal Fair Debt Collection Practices Act, which provides that a debtor may elect to claim exemptions established by State law. 28 U.S.C. 3014(a)(2)(A). The FDCPA, however, does not “supersede or modify the operation of . . . any inherent authority of a court to provide[] injunctive relief.” 28 U.S.C. 3003(c)(7).


Pursuant to the inherent authority to freeze assets as part of a preliminary injunction, Roy Lin was prohibited from transferring or otherwise disposing of *any financial assets* (Dkt. No. 97 at 2–3). The account for which Roy Lin now claims an exemption was identified as one of his frozen accounts (Dkt. No. 118-5). Following summary judgment, the account freeze was perpetuated “until the full restitution amount has been paid,” and “the financial institutions

1 with control over these frozen accounts [were] authorized to facilitate the payment of frozen
2 funds directly to the FTC to satisfy the judgment in this dispute” (Dkt. No. 162 at 43).

3 Roy Lin’s claimed exemption would interfere with this previously-ordered injunctive
4 relief. Accordingly, it is not authorized by the FDCPA. Roy Lin’s claimed retirement-account
5 exemption is **DENIED**.

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7 **IT IS SO ORDERED.**

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9 Dated: May 25, 2011.



10 WILLIAM ALSUP
11 UNITED STATES DISTRICT JUDGE
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